

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

November 15, 1989



ALL COUNTY LETTER NO. 89-99

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: FOOD STAMP REPAYMENT NOTICE (DFA 377.7B)
FOOD STAMP REPAYMENT NOTICE - FINAL NOTICE
(DFA 377.7B1)

REFERENCE: ALL COUNTY LETTER 88-123, DATED SEPTEMBER 19, 1988

The purpose of this letter is to provide counties with:

- o A reproducible copy of the revised Food Stamp Repayment Notice (DFA 377.7B);
- o A reproducible copy of the new Food Stamp Repayment Notice - Final Notice (DFA 377.7B1); and
- o The companion worker instructions.

Background:

The Food Stamp Repayment Notice has been revised to notify households that they must repay Food Stamps which were overissued and inform clients of the consequences they face if they do not repay the overissued Food Stamps. The Repayment Notice was divided into two separate notices to more effectively reflect the process.

The first notice, Food Stamp Repayment Notice (DFA 377.7B), is sent to the household at the initial discovery of the overissuance. The final notice, Food Stamp Repayment Notice - Final Notice (DFA 377.7B1), is sent to households that failed to respond to the first notice within the allotted 30 days when those households are not currently participating in the program or the household's overissuance was due to an administrative error. The DFA 377.7B1 is also sent to those individuals who fail to repay as agreed.

The Food Stamp Repayment Agreement (DFA 377.7C) was revised to include language that will inform clients of the consequences they face if they do not pay in accordance with their signed agreement.

Form Changes

FOOD STAMP REPAYMENT NOTICE - DFA 377.7B

- The form is arranged in the Turner notice format and uses simplified language.
- There is language advising clients of the consequences if repayment is not made.
- The general regulation section applying to this action is printed on the form.

FOOD STAMP REPAYMENT NOTICE - FINAL NOTICE - DFA 377.7B1 (new)

- The form is arranged in the Turner notice format and uses simplified language.
- A section addressing nonpayment of repayments which had been agreed upon is included in the new DFA 377.7B1.
- Advises the client that he/she still owes all or part of the overissuance and what may happen if he/she does not agree to repay or has not repayed as agreed.
- The general regulation section applying to this action is printed on the form.

Implementation

Counties may implement these forms immediately and must begin using them no later than December 1, 1989. Reproducible copies of both the English and Spanish DFA 377.7B (11/88) and DFA 377.7B1 (11/88) are attached. Stock for the English version of these forms are available in the SDSS Warehouse.

Ordering of State Reproduced Stock

Orders for the English DFA 377.7B (11/88) and DFA 377.7B1 (11/88) should be submitted to the SDSS Warehouse through the normal form ordering process.

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Foreign Language Translations

In addition to the Spanish translations, the DFA 377.7B (11/88) and DFA 377.7B1 (11/88) forms have been translated into the Cambodian, Chinese, Lao and Vietnamese languages. Stock for these translations will not be maintained at the SDSS Warehouse. To obtain a camera ready copy of the Spanish translations, telephone or write to:

SDSS Forms Management Unit
744 P Street, MS 7-182
Sacramento, CA 94814
Telephone: (916) 445-8738 or
ATSS 492-8738

To obtain a camera ready copy of the Cambodian, Chinese, Lao, or Vietnamese translations, telephone or write to:

SDSS Language Services
744 P Street, MS 14-25
Sacramento, CA 95814
Telephone: (916) 323-9562 or
ATSS 473-9562


Form Instructions

The attached form instructions replace the instructions in the Food Stamp Handbook, Section 63-1230, DFA 377.7B (3/84). Vertical lines identify changes or additions to the instructions.

Update

We are presently revising the DFA 377.7B (11/88) and the DFA 377.7B1 (11/88) to comply with requirements of the Anderson v. McMahon court case. Please continue to use the forms transmitted by this letter until further notice.

If you have any questions regarding these forms, please contact the Overpayment Recovery Bureau at (916) 322-5387 or ATSS 492-5387.



ROBERT A. HOREL
Deputy Director

Attachments

cc: CWDA

Form Instructions
(For CWD)

Food Stamp Repayment Notice

General Information:

The DFA 377.7B has been divided into two separate forms. The Food Stamp Repayment Notice (DFA 377.7B) is sent to households at the initial discovery of the overissuance. The Food Stamp Repayment Notice-Final Notice (DFA 377.7B1) is sent following the initial notice to households that are not currently participating in the Program, households whose overissuance resulted from an administrative error, and households who failed to respond to the first notice (DFA 377.7B) within the allotted 30 days or who fail to make repayment as agreed.

PURPOSE:

The DFA 377.7B is used by the County to notify the household that they must repay Food Stamps which were overissued. Collection action is generally initiated against the household which received the overissuance. If the household membership has changed since the overissuance occurred, collection action is initiated against either (1) the household containing a majority of the individuals who were household members at the time the overissuance occurred; or, (2) if the household containing a majority of the individuals cannot be located, the household containing the head of household at the time the overissuance occurred. For sponsored alien households, collection action is initiated against the alien household, the sponsor, or both, as appropriate.

NOTE: The CWD should attempt to contact the household to discuss the terms of repayment prior to sending the DFA 377.7B.

The Food Stamp Repayment Agreement (DFA 377.7C) should accompany the DFA 377.7B. If the household who is not currently participating in the Program or the household whose overissuance resulted from an administrative error fails to respond to this notice within 30 days, or the household fails to make repayment as agreed, the DFA 377.7B1 is sent.

NOTE: If the household fails to respond within 30 days, the CWD should initiate other collection methods.

The back of the DFA 377.7B explains the household's right to request a State hearing. The household against whom collection action has been initiated for an intentional Program violation may request a State hearing on the amount owed only if a State hearing was not held in conjunction with the administrative disqualification hearing. This is reflected in the State Hearing note on the front. If the household requests a hearing prior to the effective date of the proposed reduction action, benefits will continue pending the State hearing. If a hearing is requested after an allotment reduction is invoked by the County because the household failed to repay an inadvertent household error or an intentional Program violation overpayment, the reduction will not be delayed pending the results of the hearing.

PREPARATION:

The DFA 377.7B should be completed and sent to the household against whom collection action is initiated.

Complete an original and two copies of the DFA 377.7B entering the following identifying information:

- Date of notice
- Case name
- Case number
- Worker name
- Worker number
- Worker telephone number
- Address
- Name and mailing address of the household against whom collection action is initiated.

"TOO MANY FOOD STAMPS WERE ISSUED TO:"

Check the appropriate box:

- Check the first box for all collection actions, except those initiated against the sponsor of an alien household.
- Check the second box when collection action is initiated against the sponsor of an alien household. Enter the sponsored alien's name.

"HERE'S WHY"

In the space provided, explain the reason for the overissuance.

"YOU MUST REPAY THE EXTRA FOOD STAMPS"

Enter the following information for all cases:

- The amount of Food Stamps overissued.
- The period of time during which Food Stamps were overissued.

The back of the DFA 377.7B explains the household's right to request a State hearing. The household against whom collection action has been initiated for an intentional Program violation may request a State hearing on the amount owed only if a State hearing was not held in conjunction with the administrative disqualification hearing. This is reflected in the State Hearing note on the front. If the household requests a hearing prior to the effective date of the proposed reduction action, benefits will continue pending the State hearing. If a hearing is requested after an allotment reduction is invoked by the County because the household failed to repay an inadvertent household error or an intentional Program violation overpayment, the reduction will not be delayed pending the results of the hearing.

PREPARATION:

The DFA 377.7B should be completed and sent to the household against whom collection action is initiated.

Complete an original and two copies of the DFA 377.7B entering the following identifying information:

- Date of notice
- Case name
- Case number
- Worker name
- Worker number
- Worker telephone number
- Address
- Name and mailing address of the household against whom collection action is initiated.

"TOO MANY FOOD STAMPS WERE ISSUED TO:"

Check the appropriate box:

- Check the first box for all collection actions, except those initiated against the sponsor of an alien household.
- Check the second box when collection action is initiated against the sponsor of an alien household. Enter the sponsored alien's name.

"HERE'S WHY"

In the space provided, explain the reason for the overissuance.

"YOU MUST REPAY THE EXTRA FOOD STAMPS"

Enter the following information for all cases:

- The amount of Food Stamps overissued.
- The period of time during which Food Stamps were overissued.

- The amount of lost benefits not restored and/or payments received and used to offset the amount of Food Stamps to be repaid for this overissuance.
- The amount that the household now owes for this overissuance.

"YOU MUST EITHER"

- Check the box when the household is currently participating in the Program AND the claim was established for an inadvertent household error or an intentional Program violation. Enter the amount to which the household's allotment will be reduced if allotment reduction is invoked, and enter the effective date of the reduction.
- DO NOT check the box if the claim was established for an administrative error.

RULES SECTION

The applicable manual section(s) for the above action(s) are preprinted. If other manual sections apply, enter the number(s) in this section.

DISTRIBUTION

- The original and one copy are provided to the household.
- The second copy is filed in the case record.
- Attach a Food Stamp Repayment Agreement (DFA 377.7C).

Form Instructions
(For CWD)

Food Stamp Repayment Notice - Final Notice

PURPOSE:

The DFA 377.7B1 is sent to households that are not currently participating in the Program, households whose overissuance resulted from an administrative error, and who failed to respond to the first notice (DFA 377.7B) within the allotted 30 days; or to households who fail to make repayment as agreed.

The DFA 377.7B1 is used to notify these households that they still owe the overissuance and must repay that amount. The DFA 377.7B1 is also used to notify the household which fails to make repayment as agreed that they must repay the amount or renegotiate a new agreement.

A DFA 377.7C must accompany the DFA 377.7B1 each time it is sent to the household.

NOTE: The DFA 377.7B1 and the DFA 377.7C are sent at 30 day intervals. However, if the household fails to respond within the 30 days, the CWD may initiate other collection methods.

The back of the DFA 377.7B1 explains the household's right to request a State hearing. The household against whom collection action has been initiated for an intentional Program violation may request a State hearing on the amount owed only if a State hearing was not held in conjunction with the administrative disqualification hearing. This is shown in the State Hearing note on the front. If the household requests a hearing prior to the effective date of the proposed reduction action, benefits will continue pending a State hearing. If a hearing is requested after an allotment reduction is invoked by the County because the household failed to repay an inadvertent household error or an intentional Program violation overpayment, the reduction will not be delayed pending the results of the hearing.

PREPARATION:

The DFA 377.7B1 should be completed and sent to the household against whom collection action is initiated.

Complete an original and two copies of the DFA 377.7B1 entering the following identifying information:

- Date of notice
- Case name
- Case number
- Worker name
- Worker number
- Worker telephone number
- Address
- Name and mailing address of the household against whom collection action is initiated.

"WE TOLD YOU BEFORE..."

- Check the appropriate box:
 - o Check the first box for all collection actions, except those initiated against the sponsor of an alien household.
 - o Check the second box when collection action is initiated against the sponsor of an alien household. Enter the sponsored alien's name.
- Enter the amount still owing.

"YOU DID NOT AGREE TO REPAY"

- Check this box if:
 - o the household did not respond to the DFA 377.7B and the household is not currently participating in the Program; or
 - o the household did not respond to the DFA 377.7B and the overissuance resulted from an administrative error.

"YOU DID NOT REPAY AS AGREED"

- Check this box if the household completed a Repayment Agreement (DFA 377.7C) but did not pay as agreed.
- Check the box indicating that allotment reduction will be invoked if the household currently receiving Food Stamps fails to respond within 10 days. Also indicate the amount to which

PREPARATION:

The DFA 377.7B1 should be completed and sent to the household against whom collection action is initiated.

Complete an original and two copies of the DFA 377.7B1 entering the following identifying information:

- Date of notice
- Case name
- Case number
- Worker name
- Worker number
- Worker telephone number
- Address
- Name and mailing address of the household against whom collection action is initiated.

"WE TOLD YOU BEFORE..."

- Check the appropriate box:
 - o Check the first box for all collection actions, except those initiated against the sponsor of an alien household.
 - o Check the second box when collection action is initiated against the sponsor of an alien household. Enter the sponsored alien's name.
- Enter the amount still owing.

"YOU DID NOT AGREE TO REPAY"

- Check this box if:
 - o the household did not respond to the DFA 377.7B and the household is not currently participating in the Program;
or
 - o the household did not respond to the DFA 377.7B and the overissuance resulted from an administrative error.

"YOU DID NOT REPAY AS AGREED"

- Check this box if the household completed a Repayment Agreement (DFA 377.7C) but did not pay as agreed.
- Check the box indicating that allotment reduction will be invoked if the household currently receiving Food Stamps fails to respond within 10 days. Also indicate the amount to which

The household's benefits will be reduced and the effective date of the reduction.

- DO NOT check the allotment reduction box if the claim was established for an administrative error.

RULES SECTION

The applicable manual section(s) for the overpayment recovery action(s) are preprinted. The specific manual section(s) applying to the overissuance must be entered in this section.

DISTRIBUTION

- The original and one copy are provided to the individual.
- The second copy is filed in the case record.
- Attach a Food Stamp Repayment Agreement (DFA 377.7C).

FOOD STAMP REPAYMENT NOTICE

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

Notice Date : _____
Case Name : _____
Number : _____
Worker Name : _____
Number : _____
Telephone : _____
Address : _____

(ADDRESSEE)

Questions? Ask your Worker.

State Hearing: If you think this action is wrong, you can ask for a hearing unless you already had a hearing on the amount you owe. The back of this page tells how. Your benefits may not be changed if you ask for a hearing before this action takes place.

Too many Food Stamps were issued to:

- ☐ You.
☐ _____, whom you sponsor.

Here's why:

You must repay the extra food stamps.

\$_____ in extra food stamps were issued for the period _____ . This amount was reduced by \$_____ because we owed the household benefits from past months or we received repayment of part of the amount owed. You now owe \$_____ .

YOU MUST EITHER:

- Pay in full; or
- Sign the Repayment Agreement and pay as agreed.
 - Complete, sign and return the enclosed Repayment Agreement (DFA 377.7C).
 - Your repayment agreement will be based on your current ability to pay as figured by the county. Any changes in your ability to pay may change your monthly payments.
- ☐ If you do not sign and return the agreement within 30 days after the date of this notice the amount of food stamps you get will be reduced to \$_____ beginning _____ .
- If you do not agree to pay, the county may use other ways of collecting the amount owed such as through the courts.
- If the county sues you for the amount due, you may also be required to pay court costs.
- If you do not pay the amount owed, the county may take your state income tax refund and/or ask the court to attach your wages or any property you own.

Rules: These rules apply. You may review them at your welfare office: MS 63-801

YOUR HEARING RIGHTS

To Ask For a State Hearing

The right side of this sheet tells how.

- You only have 90 days to ask for a hearing.
- The 90 days started the day after we mailed this notice.
- You have a much shorter time to ask for a hearing if you want to keep your same benefits.

To Keep Your Same Benefits While You Wait For a Hearing

You must ask for a hearing before the action takes place.

- Your Cash Aid will stay the same until your hearing.
- Your Medi-Cal will stay the same until your hearing.
- Your Food Stamps will stay the same until the hearing or the end of your certification period, whichever is earlier.
- If the hearing decision says we are right, you will owe us for any extra cash aid or food stamps you got.

To Have Your Benefits Cut Now

If you want your Cash Aid or Food Stamps cut while you wait for a hearing, check one or both boxes.

☐ Cash Aid ☐ Food Stamps

To Get Help

You can ask about your hearing rights or free legal aid at the state information number.

Call toll free: 1-800-952-5253
If you are deaf and use TDD call: 1-800-952-8349

If you don't want to come to the hearing alone, you can bring a friend, an attorney or anyone else. You must get the other person yourself.

You may get free legal help at your local legal aid office or welfare rights group.

Other Information

Child Support: The District Attorney's office will help you collect child support even if you are not on cash aid. There is no cost for this help. If they now collect child support for you, they will keep doing so unless you tell them in writing to stop. They will send you any current support money collected. They will keep past due money collected that is owed to the county.

Family Planning: Your welfare office will give you information when you ask.

Hearing File: If you ask for a hearing, the State Hearing Office will set up a file. You have the right to see this file. The State may give your file to the Welfare Department, the U.S. Department of Health and Human Services and the U.S. Department of Agriculture. (W. & I. Code Section 10950)

HOW TO ASK FOR A STATE HEARING

The best way to ask for a hearing is to fill out this page and send or take it to:

You may also call 1-800-952-5253.

HEARING REQUEST

I want a hearing because of an action by the Welfare Department of _____ County about my

☐ Cash Aid ☐ Food Stamps ☐ Medi-Cal

☐ Other (list) _____

Here's why: _____

I will bring this person to the hearing to help me
(name and address, if known):

I need an interpreter at no cost
to me. My language or dialect is: _____

My name: _____

Address: _____

Phone: _____

My signature _____

Date: _____

FOOD STAMP REPAYMENT NOTICE**FINAL NOTICE**

Notice Date : _____
 Case Name : _____
 Number : _____
 Worker Name : _____
 Number : _____
 Telephone : _____
 Address : _____

(ADDRESSEE)

Questions? Ask your Worker.

State Hearing: If you think this action is wrong, you can ask for a hearing unless you already had a hearing on the amount you owe. The back of this page tells how. Your benefits may not be changed if you ask for a hearing before this action takes place.

We told you before that you must repay the extra Food Stamps that were issued to:

- ☐ You.
☐ _____, whom you sponsor.

You still owe \$ _____.

☐ **YOU DID NOT AGREE TO REPAY:**

- You can pay in full; or
- You can repay the extra food stamps by the terms you agree to on the enclosed Repayment Agreement (DFA 377.7C).
 - Complete, sign and return the enclosed Repayment Agreement.
 - Your repayment agreement will be based on your current ability to pay as figured by the county. Any changes in your ability to pay may change your monthly payments.
- If you do not agree to pay, the county may use other ways of collecting the amount owed such as through the courts.
- If the county sues you for the amount due, you may also be required to pay court costs.
- If you do not pay the amount owed, the county may take your state income tax refund and/or ask the court to attach your wages or any property you own.

☐ **YOU DID NOT REPAY AS AGREED:**

- You must tell us when you cannot pay as agreed. You must explain why you cannot pay. You may ask the county to figure a new repayment plan.
 - Complete, sign and return the enclosed Repayment Agreement (DFA 377.7C).
- ☐ If you are getting food stamp benefits and you do not return a new Repayment Agreement within 10 days after the date of this notice, your household's benefits will be reduced to \$_____ beginning _____.
- If you do not pay as agreed and you do not get a new repayment plan, the county may ask that the total amount owed be paid now.
- If you do not pay as agreed, the county may use other ways of collecting the amount owed such as through the courts.
- If the county sues you for the amount due, you may also be required to pay court costs.
- If you do not pay as agreed, the county may take your state income tax refund and/or ask the court to attach your wages or any property you own.

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HOW TO ASK FOR A STATE HEARING

The best way to ask for a hearing is to fill out this page and send or take it to:

You may also call 1-800-952-5253.

HEARING REQUEST

I want a hearing because of an action by the Welfare Department of _____ County about my:

☐ Cash Aid ☐ Food Stamps ☐ Medi-Cal
☐ Other (list) _____

Here's why: _____

I will bring this person to the hearing to help me
(name and address, if known):

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to me. My language or dialect is: _____

My name: _____

Address: _____

Phone: _____

My signature _____

Date: _____